

## Sen. Linda Holmes

## Filed: 5/24/2016

	09900HB0397sam001 LRB099 05952 MLM 48235 a
1	AMENDMENT TO HOUSE BILL 397
2	AMENDMENT NO Amend House Bill 397 by replacing
3	everything after the enacting clause with the following:
4	"Section 5. The School Code is amended by changing Sections
5	27A-7.5, 27A-8, and 27A-9 as follows:
6	(105 ILCS 5/27A-7.5)
7	Sec. 27A-7.5. State Charter School Commission.
8	(a) A State Charter School Commission is established as ar
9	independent commission with statewide chartering jurisdiction
10	and authority. The Commission shall be under the State Board
11	for administrative purposes only.
12	(a-5) The State Board shall provide administrative support
13	to the Commission as needed.
14	(b) (Blank). The Commission is responsible for authorizing
15	high quality charter schools throughout this State,
16	particularly schools designed to expand opportunities for

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## at-risk students, consistent with the purposes of this Article.

- (c) The Commission shall consist of 9 members, appointed by the State Board. The State Board shall make these appointments from a slate of candidates proposed by the Governor, within 60 days after the effective date of this amendatory Act of the 97th General Assembly with respect to the initial Commission members. In making the appointments, the State Board shall statewide geographic diversity among Commission members. The Governor shall propose a slate of candidates to the State Board within 60 days after the effective date of this amendatory Act of the 97th General Assembly and 60 days prior to the expiration of the term of a member thereafter. If the Governor fails to timely propose a slate of candidates according to the provisions of this subsection (c), then the State Board may appoint the member or members of the Commission.
- (d) Members appointed to the Commission shall collectively possess strong experience and expertise in public and nonprofit governance, management and finance, public school leadership, higher education, assessments, curriculum and instruction, and public education law. All members of the Commission shall have demonstrated understanding of and a commitment to public education, including without limitation charter schooling. At least 3 members must have past experience with urban charter schools.
  - (e) To establish staggered terms of office, the initial

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- 1 term of office for 3 Commission members shall be 4 years and thereafter shall be 4 years; the initial term of office for 2 another 3 members shall be 3 years and thereafter shall be 4 3 4 years; and the initial term of office for the remaining 3 5 members shall be 2 years and thereafter shall be 4 years. The 6 initial appointments must be made no later than October 1,
- 8 (f) Whenever a vacancy on the Commission exists, the State 9 Board shall appoint a member for the remaining portion of the 10 term.
  - (q) Subject to the State Officials and Employees Ethics Act, the Commission is authorized to receive and expend gifts, grants, and donations of any kind from any public or private entity to carry out the purposes of this Article, subject to the terms and conditions under which they are given, provided that all such terms and conditions are permissible under law. Funds received under this subsection (g) must be deposited into the State Charter School Commission Fund.

The State Charter School Commission Fund is created as a special fund in the State treasury. All money in the Fund shall be used, subject to appropriation, by the State Board, acting on behalf and with the consent of the Commission, operational and administrative costs of the Commission.

Subject to appropriation, any funds appropriated for use by the State Board, acting on behalf and with the consent of the Commission, may be used for the following purposes, without

- 1 limitation: personal services, contractual services, and other
- 2 operational and administrative costs. The State Board is
- 3 further authorized to make expenditures with respect to any
- 4 other amounts deposited in accordance with law into the State
- 5 Charter School Commission Fund.
- 6 (g-5) Funds or spending authority for the operation and
- 7 administrative costs of the Commission shall be appropriated to
- 8 the State Board in a separate line item. The State
- 9 Superintendent of Education may not reduce or modify the budget
- of the Commission or use funds appropriated to the Commission
- 11 without the approval of the Commission.
- 12 (h) The Commission shall operate with dedicated resources
- and staff qualified to execute the day-to-day responsibilities
- of charter school authorizing in accordance with this Article.
- 15 The Commission may employ and fix the compensation of such
- 16 employees and technical assistants as it deems necessary to
- 17 carry out its powers and duties under this Article, without
- 18 regard to the requirements of any civil service or personnel
- 19 statute; and may establish and administer standards of
- 20 classification of all such persons with respect to their
- 21 compensation, duties, performance, and tenure and enter into
- 22 contracts of employment with such persons for such periods and
- on such terms as the Commission deems desirable.
- 24 (i) Every 2 years, the Commission shall provide to the
- 25 State Board and local school boards a report on best practices
- in charter school authorizing, including without limitation

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- 1 evaluating applications, oversight of charters, and renewal of charter schools. 2
  - (j) The Commission may charge a charter school that it authorizes a fee, not to exceed 3% of the revenue provided to the school, to cover the cost of undertaking the ongoing administrative responsibilities of the eliqible chartering authority with respect to the school. This fee must be deposited into the State Charter School Commission Fund.
  - (k) Any charter school authorized by the State Board prior to this amendatory Act of the 97th General Assembly shall have its authorization transferred to the Commission upon a vote of the State Board, which shall then become the school's authorizer for all purposes under this Article. However, in no case shall such transfer take place later than July 1, 2012. At this time, all of the powers, duties, assets, liabilities, contracts, property, records, and pending business of the State Board as the school's authorizer must be transferred to the Commission. Any charter school authorized by a local school board or boards may seek transfer of authorization to the Commission during its current term only with the approval of the local school board or boards. At the end of its charter term, a charter school authorized by a local school board or boards must reapply to the board or boards before it may apply for authorization to the Commission under the terms of this amendatory Act of the 97th General Assembly.

On the effective date of this amendatory Act of the 97th

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General Assembly, all rules of the State Board applicable to matters falling within the responsibility of the Commission shall be applicable to the actions of the Commission. The Commission shall thereafter have the authority to propose to the State Board modifications to all rules applicable to matters falling within the responsibility of the Commission. The State Board shall retain rulemaking authority for the Commission, but shall work jointly with the Commission on any proposed modifications. Upon recommendation of proposed rule modifications by the Commission and pursuant to the Illinois Administrative Procedure Act, the State Board shall consider such changes within the intent of this amendatory Act of the 97th General Assembly and grant any and all changes consistent with that intent.

Any charter school operating as a (1)Commission-authorized school for the first time during the 2016-2017 school year, upon the effective date of this amendatory Act of the 99th General Assembly, shall revert to the oversight and control of the local school board as authorizer. The local school board shall enter into a new charter agreement with the charter school. The Commission shall have the responsibility to consider appeals under this Article immediately upon appointment of the initial members of the Commission under subsection (c) of this Section. Appeals pending at the time of initial appointment shall be determined by the Commission; the Commission may extend the time for

- necessary for thorough review, but in no case shall 1 the extension exceed the time that would have been available 2 3 had the appeal been submitted to the Commission on the date of 4 appointment of its initial members. In any appeal filed with 5 the Commission under this Article, both the applicant and the school district in which the charter school plans to locate 6 7 shall have the right to request a hearing before the 8 Commission. If more than one entity requests a hearing, then 9 the Commission may hold only one hearing, wherein the applicant 10 and the school district shall have an equal opportunity to 11 present their respective positions. (Source: P.A. 97-152, eff. 7-20-11; 97-641, eff. 12-19-11; 12 13 97-1156, eff. 1-25-13.)
- 14 (105 ILCS 5/27A-8)

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- 15 Sec. 27A-8. Evaluation of charter proposals.
- 16 (a) This Section does not apply to a charter school
  17 established by referendum under Section 27A-6.5. In evaluating
  18 any charter school proposal submitted to it, the local school
  19 board and the Commission shall give preference to proposals
  20 that:
- 21 (1) demonstrate a high level of local pupil, parental, 22 community, business, and school personnel support;
  - (2) set rigorous levels of expected pupil achievement and demonstrate feasible plans for attaining those levels of achievement; and

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- (3) are designed to enroll and serve a substantial proportion of at-risk children; provided that nothing in the Charter Schools Law shall be construed as intended to limit the establishment of charter schools to those that serve a substantial portion of at-risk children or to in restrict, limit, manner or discourage establishment of charter schools that enroll and serve other pupil populations under а nonexclusive. nondiscriminatory admissions policy.
- (b) In the case of a proposal to establish a charter school by converting an existing public school or attendance center to charter school status, evidence that the proposed formation of the charter school has received majority support from certified teachers and from parents and quardians in the school or attendance center affected by the proposed charter, and, if applicable, from a local school council, shall be demonstrated by a petition in support of the charter school signed by certified teachers and a petition in support of the charter school signed by parents and quardians and, if applicable, by a vote of the local school council held at a public meeting. In the case of all other proposals to establish a charter school, evidence of sufficient support to fill the number of pupil seats set forth in the proposal may be demonstrated by a petition in support of the charter school signed by parents and quardians of students eligible to attend the charter school. In all cases, the individuals, organizations, or entities who

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- initiate the proposal to establish a charter school may elect, in lieu of including any petition referred to in this subsection as a part of the proposal submitted to the local school board, to demonstrate that the charter school has received the support referred to in this subsection by other evidence and information presented at the public meeting that the local school board is required to convene under this Section.
  - (c) Within 45 days of receipt of a charter school proposal, the local school board shall convene a public meeting to obtain information to assist the board in its decision to grant or deny the charter school proposal. A local school board may develop its own process for receiving charter school proposals on an annual basis that follows the same timeframes as set forth in this Article. Final decisions of a local school board are subject to judicial review under the Administrative Review Law. Only after the local school board process is followed may a charter school applicant appeal to the Commission.
  - (d) Notice of the public meeting required by this Section shall be published in a community newspaper published in the school district in which the proposed charter is located and, if there is no such newspaper, then in a newspaper published in the county and having circulation in the school district. The notices shall be published not more than 10 days nor less than 5 days before the meeting and shall state that information regarding a charter school proposal will be heard at the

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meeting. Copies of the notice shall also be posted at appropriate locations in the school or attendance center proposed to be established as a charter school, the public schools in the school district, and the local school board office. If 45 days pass without the local school board holding a public meeting, then the charter applicant may submit the proposal to the Commission, where it must be addressed in accordance with the provisions set forth in subsection (g) of this Section.

- (e) Within 30 days of the public meeting, the local school board shall vote, in a public meeting, to either grant or deny the charter school proposal. If the local school board has not voted in a public meeting within 30 days after the public meeting, then the charter applicant may submit the proposal to the Commission, where it must be addressed in accordance with the provisions set forth in subsection (g) of this Section.
- (f) Within 7 days of the public meeting required under subsection (e) of this Section, the local school board shall file a report with the State Board granting or denying the proposal. If the local school board has approved the proposal, within 30 days of receipt of the local school board's report, the State Board shall determine whether the approved charter proposal is consistent with the provisions of this Article and, if the approved proposal complies, certify the proposal pursuant to Section 27A-6.
  - (g) If the charter applicant submits the proposal to the

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board.

- 1 Commission as authorized under subsection (i) the local school board votes to deny the proposal, then the charter school 2 3 applicant has 30 days from the date of that vote to submit an 4 appeal to the Commission. In such instances or in those 5 instances referenced in subsections (d) and (e) of this Section, the Commission shall follow the same process and be 6 subject to the same timelines for review as the local school 7
  - (h) The Commission may approve a charter school proposal submitted to it in accordance with subsection (i) reverse a local school board's decision to deny a charter school proposal if the Commission finds that the proposal (i) is in compliance with this Article and (ii) is in the best interests of the students the charter school is designed to serve. Final decisions of the Commission are subject to judicial review under the Administrative Review Law.
  - (i) In the case of a charter school proposed to be jointly authorized by 2 or more school districts, the local school boards may unanimously deny the charter school proposal with a statement that the local school boards are not opposed to the charter school, but that they yield to the Commission in light of the complexities of joint administration, in which case the charter applicant may submit the proposal to the Commission, where it shall be addressed in accordance with the provisions set forth in subsection (q) of this Section.
- (Source: P.A. 96-105, eff. 7-30-09; 96-734, eff. 8-25-09; 26

- 96-1000, eff. 7-2-10; 97-152, eff. 7-20-11.) 1
- 2 (105 ILCS 5/27A-9)

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- 3 Sec. 27A-9. Term of charter; renewal.
- (a) A charter may be granted for a period not less than 5 4 and not more than 10 school years. A charter may be renewed in 5 incremental periods not to exceed 5 school years. 6
- 7 (b) A charter school renewal proposal submitted to the 8 local school board or the Commission, as the chartering entity, 9 shall contain:
  - (1) A report on the progress of the charter school in goals, objectives, pupil performance achieving the standards, content standards, and other terms of the initial approved charter proposal; and
    - (2) A financial statement that discloses the costs of administration, instruction, and other spending categories for the charter school that is understandable to the general public and that will allow comparison of those costs to other schools or other comparable organizations, in a format required by the State Board.
  - (c) A charter may be revoked or not renewed if the local school board or the Commission, as the chartering entity, clearly demonstrates that the charter school did any of the following, or otherwise failed to comply with the requirements of this law:
- 25 (1) Committed a material violation of any of the

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- 1 conditions, standards, or procedures set forth in the charter.
  - (2) Failed to meet or make reasonable progress toward achievement of the content standards or pupil performance standards identified in the charter.
  - (3) Failed to meet generally accepted standards of fiscal management.
  - (4) Violated any provision of law from which the charter school was not exempted.

In the case of revocation, the local school board or the Commission, as the chartering entity, shall notify the charter school in writing of the reason why the charter is subject to revocation. The charter school shall submit a written plan to the local school board or the Commission, whichever is applicable, to rectify the problem. The plan shall include a timeline for implementation, which shall not exceed 2 years or the date of the charter's expiration, whichever is earlier. If the local school board or the Commission, as the chartering entity, finds that the charter school has failed to implement the plan of remediation and adhere to the timeline, then the chartering entity shall revoke the charter. Except situations of an emergency where the health, safety, or education of the charter school's students is at risk, the revocation shall take place at the end of a school year. Nothing in this amendatory Act of the 96th General Assembly shall be construed to prohibit an implementation timetable that

- is less than 2 years in duration. 1
- (d) (Blank). 2

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- (e) (Blank). Notice of a local school board's decision to deny, revoke or not to renew a charter shall be provided to the Commission and the State Board. The Commission may reverse a local board's decision if the Commission finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve. The Commission may condition the granting of an appeal on the acceptance by the charter school of funding in an amount less than that requested in the proposal submitted to the local school board. Final decisions of the Commission shall be subject to judicial review under the Administrative Review Law.
  - (f) Notwithstanding other provisions of this Article, if the Commission approves an application for a charter school submitted to it in accordance with this Article or on appeal reverses a local board's decision or if a charter school is approved by referendum under Section 27A-6.5 of this Code, the Commission shall act as the authorized chartering entity for the charter school. The Commission shall execute a approve the charter and shall perform all functions under this Article otherwise performed by the local school board. The State Board shall determine whether the charter proposal approved by the Commission is consistent with the provisions of this Article and, if the approved proposal complies, certify the proposal

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- 1 pursuant to this Article. The State Board shall report the 2 aggregate number of charter school pupils resident in a school 3 district to that district and shall notify the district of the 4 amount of funding to be paid by the State Board to the charter 5 school enrolling such students. The Commission shall require 6 the charter school to maintain accurate records of daily attendance that shall be deemed sufficient to file claims under 7 Section 18-8.05 notwithstanding any other requirements of that 8 9 Section regarding hours of instruction and teacher 10 certification. The State Board shall withhold from funds 11 otherwise due the district the funds authorized by this Article to be paid to the charter school and shall pay such amounts to 12 13 the charter school.
  - (g) For charter schools authorized by the Commission, the Commission shall quarterly certify to the State Board the student enrollment for each of its charter schools.
  - (h) For charter schools authorized by the Commission, the State Board shall pay directly to a charter school any federal or State aid attributable to a student with a disability attending the school.
- (Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)". 21